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Programme budget for the biennium 2010-2011

Human resources management

Conditions of service and compensation for officials, other than Secretariat officials, serving the General Assembly: full-time members of the International Civil Service Commission and the Chair of the Advisory Committee on Administrative and Budgetary Questions

Report of the Secretary-General

I. Introduction

1. The General Assembly, in paragraph 2 of its resolution 35/221, decided that the compensation and other conditions of service of the full-time members of the International Civil Service Commission (ICSC) and of the Chair of the Advisory Committee on Administrative and Budgetary Questions would be reviewed normally every five years. The last such review was done in 2000 at the fifty-fifth session of the General Assembly. By its resolution 55/238, the Assembly took note of the relevant report of the Secretary-General (A/C.5/55/29). In paragraph 21 of that report, it was stated that, in accordance with the decision taken by the Assembly in paragraph 2 of its resolution 35/221 in respect of the periodic review of the compensation and other conditions of service of the Chair of the Advisory Committee and the Chair and Vice-Chair of ICSC, the next review would be undertaken at the sixtieth session of the Assembly in 2005.

2. Subsequently, the General Assembly, in paragraphs 4 and 5 of its resolution 58/266, requested the Secretary-General to bring the issue of conditions of service and compensation of the three officials to the attention of the Assembly when the annual compensation for the Chair of ICSC and the Chair of the Advisory Committee fell below the level of the compensation of Assistant Secretaries-General, but no sooner than at its sixty-third session, and also decided that this procedure would replace the requirement for future five-year comprehensive reviews outlined in paragraph 8 of the report of the Secretary-General

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(A/C.5/57/35). At the sixty-third session of the Assembly, a report of the Secretary-General on this matter (A/63/354) was submitted to the Assembly for its consideration. However, the issue was deferred to the sixty-fourth session. At that session, the same report was considered in the context of the proposed programme budget for the biennium 2010-2011, but no action was taken.

3. Accordingly, the Secretary-General would like to refer to his previous report and to update the information contained therein. In order to facilitate the review of the various issues regarding the compensation and conditions of service of the three officials concerned, and to update the information previously provided, the present report is divided into five sections: compensation, other conditions of service, post-retirement benefits, financial implications and the next comprehensive review.

II. Compensation

4. In accordance with General Assembly resolution 55/238, the annual net compensation of the Chair and Vice-Chair of ICSC and the Chair of the Advisory Committee on Administrative and Budgetary Questions should be adjusted in January of each year by 90 per cent of the movement in the consumer price index (CPI) for New York (rounded to the nearest whole number), measured over the period from November to November.

5. The movement of the net compensation of the three officials over the period from January 2004 to January 2008 is detailed in the Secretary-General's previous report. In order to update that report, it should be noted that the following adjustment procedures were applied. The movement in the CPI for New York over the period from November 2007 to November 2008 was 2.176 per cent. Ninety per cent of that movement represented 1.958 per cent, which, when rounded to the nearest whole number, resulted in an increase of 2 per cent in the annual compensation for the three officials concerned beginning 1 January 2009. This is lower than the projection given in the previous report because the CPI fell between July 2008, when the projection was made, and the end of the measurement period, namely November 2008. The movement in the CPI for New York over the period from November 2008 to November 2009 was 1.825 per cent. Ninety per cent of that movement represented 1.642 per cent, which, when rounded to the nearest whole number, resulted in an additional increase of 2 per cent in the annual compensation for the three officials concerned beginning 1 January 2010. Accordingly, the annual net compensation of the two full-time members of ICSC and the Chair of the Advisory Committee was revised from $197,564, effective 1 January 2008, to $205,545, effective 1 January 2010.

6. The movement in the CPI for New York over the period from November 2009 to November 2010 was 1.333 per cent. Ninety per cent of that movement represents 1.170 per cent, which, when rounded to the nearest whole number, will result in an additional increase of 1 per cent in the annual compensation for the three officials effective 1 January 2011. Accordingly, unless there is any further adjustment approved by the Assembly, the annual net compensation of the two full-time members of ICSC and the Chair of the Advisory Committee will be revised from $205,545, effective 1 January 2010, to $207,600, effective 1 January 2011. It should be recalled that there is also a special allowance of $10,000 payable to each of the Chairs.

7. As mentioned in paragraph 12 of the Secretary-General's previous report, and as noted by the Secretary-General at the thirty-eighth session of the Assembly:

> It is for this reason that the long-standing practice has been to take into account the level of remuneration of senior Secretariat officials in determining the appropriate remuneration for members of organs or subsidiary organs of the United Nations appointed by the United Nations to serve in their individual capacity on a full-time basis (A/C.5/38/27, para. 41).

This practice was endorsed by the General Assembly in its resolution 55/238, which reaffirmed that the total annual net compensation of the three officials concerned should be equivalent to 97 per cent of that of the most senior Secretariat officials.

8. The compensation of the three officials is detailed below. Data showing the evolution of their annual net compensation compared with that of senior Secretariat officials is contained in the annex to the present report.

(United States dollars)

	Current salary 1 January 2010	*Salary 1 January 2011*	*Salary 1 January 2011 proposed*
Chair of ICSC and Chair of the Advisory Committee on Administrative and Budgetary Questions			
Net salary	205 545	207 600	222 084
Special allowance	10 000	10 000	10 000
Total net salary and special allowance	215 545	217 600	232 084
Vice-Chair of ICSC			
Net salary	205 545	207 600	222 084

9. In order to restore the relativity of the annual net compensation of the Chair of ICSC and the Chair of the Advisory Committee to 97 per cent of that of the most senior officials, their net salary would need to be increased to $232,084, which represents an increase of 6.65 per cent over the total net salary, including the special allowance, effective 1 January 2011. The Vice-Chair of ICSC, who does not receive the $10,000 special allowance, would receive a net salary increase from $207,600 to $222,084, which represents a 6.97 per cent increase over the net salary payable that would otherwise be payable effective 1 January 2011.

III. Other conditions of service

10. No change is proposed in regard to the manner of application of other conditions of service of the Chair of the Advisory Committee and the Chair and Vice-Chair of ICSC at this time. These other entitlements are described in detail in paragraphs 16 and 17 of the Secretary-General's previous report.

IV. Post-retirement benefits

11. In its resolution 46/192, the General Assembly decided that officials appointed or elected to ungraded positions who become participants in the United Nations Joint Staff Pension Fund should have their pensionable remuneration adjusted, between comprehensive reviews, in accordance with the procedure applicable for adjustment of the scale of pensionable remuneration of staff in the Professional and higher categories, as set out in article 54 (b) of the Regulations of the Fund. Accordingly, the pensionable remuneration of the three officials concerned is adjusted at the same time and by the same percentage as that used to adjust their annual compensation. This methodology has been applied since that time. As at 1 January 2010, the pensionable remuneration of the Chair of ICSC and the Chair of the Advisory Committee is $267,208 per annum and that of the Vice-Chair of ICSC $252,892 per annum. Their pensionable remuneration should be revised as at 1 January 2011, using the usual adjustment procedure, to $269,880 and $255,421 respectively. Should the Assembly approve the proposal to restore the relativity of the compensation of these three senior officials as outlined above, the pensionable remuneration of the Chair of ICSC and the Chair of the Advisory Committee should be increased to $287,827 and that of the Vice-Chair of ICSC to $273,224, effective 1 January 2011.

V. Financial implications

12. Should the General Assembly approve the restoration of the relativity relating to the net compensation and post-retirement benefits as set out in paragraphs 9 and 11 above, it is estimated that there will be additional requirements of $28,900 for the programme budget for the biennium 2010-2011 comprising $17,300 under section 1, "Overall policy-making, direction and coordination", and $11,600 under section 30, "Jointly financed administrative activities". This would represent the full cost of provisions in respect of the Chair of the Advisory Committee and the net cost to the United Nations of the provisions for the Chair and Vice-Chair of ICSC, which are financed jointly with the other organizations of the United Nations system. These requirements are seen as relating to inflationary adjustments. The additional requirements would therefore be reported in the context of the second performance report of the programme budget for the biennium 2010-2011, to be submitted to the General Assembly at its sixty-sixth session.

13. The General Assembly may wish to restore the relativity relating to the net compensation and post-retirement benefits of the Chair of the Advisory Committee and the Chair and Vice-Chair of ICSC and to take note of the present report.

VI. Next comprehensive review

14. In accordance with the decision taken by the General Assembly in its resolution 58/266 in respect of the review of the compensation and other conditions of service of the Chair and Vice-Chair of ICSC and the Chair of the Advisory Committee, the next comprehensive review should be undertaken when the level of the annual compensation of the Chair of ICSC and the Chair of the Advisory Committee falls below the level of the compensation of Assistant Secretaries-General.

Annex

Evolution of the annual net compensation of the Chair of the Advisory Committee on Administrative and Budgetary Questions and the Chair and Vice-Chair of the International Civil Service Commission, compared with that of senior officials of the Secretariat at Headquarters

Year	*Chair of ACABQ and of ICSC*[a]	*Vice-Chair of ICSC*	*Assistant Secretary-General with dependant*[b]	*Assistant Secretary-General without dependant*[b]	*Under-Secretary-General with dependant*[c]	*Under-Secretary-General without dependant*[c]
Jan. 2004	182 189	172 189	180 304	163 555	197 312	177 970
Jan. 2005	189 077	179 077	188 097	170 611	205 809	185 617
Jan. 2006	196 040	186 240	194 670	176 563	212 975	192 066
Jan. 2007	199 965	189 965	199 256	180 716	217 975	196 566
Jan. 2008	207 564	197 564	205 501	186 371	224 783	202 693
Jan. 2009	211 515	205 515	218 800	198 415	239 282	215 742
Jan. 2010	215 545	205 545	218 761[d]	198 381[d]	239 241[d]	215 705[d]
Jan. 2011	217 600[e]	207 600[e]	218 780	198 399	239 262	215 724
Jan. 2011 proposed	232 084	222 084				
Percentage increase 2004-2011	19.4	20.5	21.3	21.3	21.3	21.2
Percentage increase 2004-2011 proposed	27.4	29.0				

[a] Including a special allowance of $10,000 per annum.

[b] Including a representation allowance of $3,600 per annum.

[c] Including a representation allowance of $4,000 per annum.

[d] The net compensation for staff in the Professional and above category is adjusted on the basis of the movement of the post adjustment multiplier. For New York, there has not been a net increase in net compensation since 1 August 2008. However, effective 1 January each year, there is a "no gain, no loss" consolidation of part of the post adjustment element into the net base salary. Rounding differences have attributed to the minor changes in net compensation from January 2009 to January 2011.

[e] Reflecting a 1.0 per cent adjustment as a consequence of the movement in the New York CPI from November 2009 to November 2010.